

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,

Plaintiff,

STIPULATION OF SETTLEMENT

- against -

Civil Action No.

ONE MILLION TWO HUNDRED THOUSAND
DOLLARS (\$1,200,000) IN PAYMENTS
MADE OR DUE AND OWING BY SAWAYA
HOLDING CORPORATION, AND ALL
PROCEEDS TRACEABLE THERETO,

Defendant.

TOMLINSON, M.J.

CV 09 0067

WEXLER, J

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WHEREAS, this action was commenced on or about August
____, 2008 by the filing of a verified complaint in rem, seeking
forfeiture to the United States of one million two hundred
thousand dollars (\$1,200,000) in payments made or due and owing
by Sawaya Holding Corporation, and all proceeds traceable thereto
(the "Defendant Property"); and

WHEREAS, Assad Sawaya, Teresa Sawaya, individually and
on behalf of Sawayua Holding Corporation, (collectively, the
"Claimants"), by and through their attorney, asserted an interest
in the Defendant Property; and

WHEREAS, all parties to this stipulation desire to
resolve these matters without the need for further litigation;

IT IS HEREBY STIPULATED AND AGREED by and between the
undersigned parties, including the District Attorney for Suffolk

County, and their counsel as follows:

1. Claimants declare and affirm that they are the true and beneficial owners of the Defendant Property.

2. Claimants agree to the forfeiture of the Defendant Property, and all interest accrued thereon, to the United States of America, pursuant to 18 U.S.C. § 981(a)(1)(C).

3. Claimants agree to release, remise and forever discharge, plaintiff United States of America and its agencies, agents, officers, and employees, past and present, from all claims or causes of action which Claimants, individually and/or collectively, and their agents, assigns, representatives, and successors ever had, now have, or hereafter may have against plaintiff and its agencies, agents, officers, and employees, past and present, for or on account of the commencement of this action, the seizure, restraint and forfeiture of Defendant Property, and the settlement of this action. Claimants further agree that they shall hold the United States, its agencies, agents, employees and officers, past and present, harmless from any claims or suits brought by any persons or entities concerning, referring or relating to the Defendant Property named in this action, and all proceeds traceable thereto, and that they shall: (a) indemnify the United States and its agencies, agents, employees and officers, past and present up to the value of \$1,200,000.00; (b) if demanded by the United States, defend any

such suit; and (c) provide evidence and testimony necessary to the defense of such suit.

4. Claimants Assad Sawaya and Teresa Sawaya, individually and as principals of Sawaya Holding Corporation, hereby waive any right to challenge in United States District Court, the Court of Appeals, the Court of Claims or any other forum, the seizure and settlement of said Defendant Property.

5. This stipulation is limited to the allegations of the verified complaint in the instant action.

6. The parties will each bear their own costs and their own attorneys' fees, and the Claimants further agrees to waive any and all rights they have to recover attorney's fees under the Equal Access to Justice Act, the Civil Asset Forfeiture Reform Act, or any other legal or statutory bases.

7. This stipulation sets forth the entire, final agreement of the parties and may not be modified orally.

8. Jerry Garguilo, Esq. is duly authorized to represent Claimants Teresa Sawaya and Sawaya Holding Corporation and to execute this stipulation as counsel for these Claimants.

9. John Kaley, Esq. is duly authorized to represent Claimant Assad Sawaya and to execute this stipulation as counsel for this Claimant.

10. This Court shall retain jurisdiction in this case for the purpose of enforcing the terms of this stipulation.

11. Judgment incorporating the terms of this stipulation may be entered by the Court at which time, this stipulation becomes effective.

Dated: Brooklyn, New York
~~2008~~

January 8, 2009

BENTON J. CAMPBELL
United States Attorney
Eastern District of New York
Attorney for Plaintiff
271 Cadman Plaza East, 7th Fl.
Brooklyn, New York 11201

By: *Kathleen A. Nandan*
Kathleen A. Nandan
Assistant U.S. Attorney
(718) 254-7000/6409

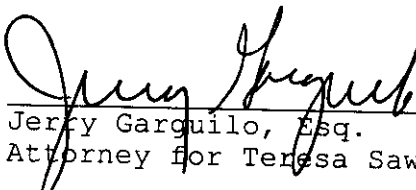
Dated: *St. James*, New York
Dec. 29, 2008

By: *Jerry Garguilo*
Jerry Garguilo, Esq.
Attorney for Sawaya Holding
Corporation

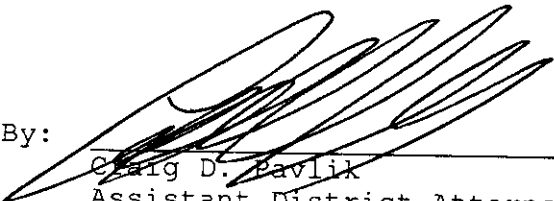
Dated: *New York*, New York
December 23, 2008

By: *John A. Kaley*
John Kaley, Esq.
Attorney for Assad Sawaya

Dated: St. James, New York
Dec 29, 2008

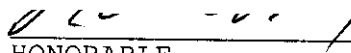
By: 
Jerry Garquillo, Esq.
Attorney for Teresa Sawaya

Dated: Hauppauge, New York
December 31, 2008

By: 
Craig D. Pavlik
Assistant District Attorney
Suffolk County, New York
(631) 853-4153

SO ORDERED:

Dated: Brooklyn, New York
1/30/09, 2008


HONORABLE
UNITED STATES DISTRICT JUDGE

CENTRAL ISCUIP, NY
1/30/09

RECEIVED

JAN 16 2009

TIME AM _____

TIME PM _____

CHAMBERS OF
JUDGE WEXLER